FISCAL NOTE

HB 2192 - SB 2448

February 25, 2002

SUMMARY OF BILL: Allows a hospital owned and operated by any Tennessee governmental entity to obtain a lien for all reasonable and necessary charges for hospital care, treatment and maintenance of an ill or injured employee in a workers' compensation claim, if the care or treatment was furnished on account of the workers' compensation injury. Once a hospital lien has been perfected, no release or satisfaction of the workers' compensation action or settlement is valid or effectual against such lien, unless the hospital lienholder joins in or executes a release of the lien.

ESTIMATED FISCAL IMPACT:

Increase State Revenues - Less than \$100,000

Increase Local Govt. Revenues - Exceeds \$100,000

Estimate assumes a potential increase in state and local government revenues. There are 28 municipal or county owned hospitals, which include hospital districts, and two University of Tennessee hospitals that could recover costs from workers' compensation settlements. It cannot be determined to what extent such occurrences will happen; however, given the number of potential claims, the cost of health care, and the number of municipal or county owned hospitals, we estimate the increase in revenues to be significant for local governments.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

James A. Davenport, Executive Director

James a. Lavenget